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DOCKETS

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Dockets Facility
U.S. Department of Transportation
Room PL-401
400 Seventh Street, SW
Washington, DC 20590-0001

Subject: Docket No. RSPA-99-6355; Notice 1 - Enhanced Safety and
Environmental Protection for Gas Transmission and Hazardous
Liquid Pipelines in High Consequence Areas

ANR Pipeline Company, a subsidiary of The Coastal Corporation, has operated interstate natural gas transmission pipelines since 1949. We operate approximately 10,250 miles of onshore pipelines in seventeen states and 1300 miles of pipelines located in the Gulf of Mexico. We are continually concerned with pipeline safety and are interested in any new regulatory proposals that improve pipeline safety. We expect regulatory proposals to be well conceived, show measurable improvement in pipeline safety, provide flexibility and be reasonable in cost to the public. Attached are ANR Pipeline's comments on Docket No. RSPA-99-6355; Notice 1.

Overall, ANR supports the principles and goals of this proposal and will be working with OPS and other organizations to develop regulatory requirements that improve gas transmission pipeline safety. My telephone number is 313-496-2456 or E-mail is robert.lecznar@coastalcorp.com should there be additional questions.

Sincerely,

Robert J. Lecznar

Manager, Codes, Standards, and Regulations

ANR Pipeline Company

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ANR Pipeline Company Comments

January 18, 2000

Docket No. RSPA-99-6355: Notice 1 - Enhanced Safety and Environmental Protection for Gas Transmission and Hazardous Liquid Pipelines in High Consequence Areas

ANR Pipeline Company, a subsidiary of The Coastal Corporation, has operated interstate natural gas transmission pipelines since 1949. We operate approximately 10,250 miles of onshore pipelines in seventeen states and 1300 miles of pipelines located in the Gulf of Mexico. We are continually concerned with pipeline safety and are interested in any new regulatory proposals that improve pipeline safety. We expect regulatory proposals to be well conceived, show measurable improvement in pipeline safety, provide flexibility and be reasonable in cost to the public. Since 1970, we have designed, constructed, tested, operated, and maintained our pipeline facilities subject to the regulatory requirements of Part 192. Based on our understanding of Part 192, the framework of the current federal regulations are based on principles that incorporate and prescribe requirements for proactive integrity management programs.

Industry Safety Record.

We agree with Administrator Coyner's remarks that *"it's not enough just to say we're cornmiffed.. . but we have to be able to show people why it matters and that we are doing it."* A review of our industry's safety records effectively illustrates our efforts to eliminate the probability of potential pipeline failures and to minimize its consequences to human life and the environment. In fact, Gas Research Institute report GRI-95/0101, "Remote and Automatic Main Valve Technology Assessment," reported that between 1970 and 1992, seventy-eight percent of the fatalities and eighty-two percent of the injuries involving gas transmission pipeline incidents are related to people working on or around the pipeline (company and contractor/third party employees.), not the general public. The death and injury information data on the OPS web page shows that for the thirteen years after 1986, there were a total of 39 deaths and 186 injuries, with 9 deaths and 34 injuries involving the general public. ANR continues to fund research projects, support proposals and work with organizations that improve pipeline safety.

The natural gas industry continues to build on its commitment to excellence in pipeline safety and communication with the general public through several recently initiated programs, such as Damage Prevention Campaign, Common Ground, National Pipeline Mapping, that have yet to realize their full potential.

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Part 192 and 195

Part 192 (Transportation of Natural and Other Gas by Pipeline) and Part 195 (Transportation of Hazardous Liquids by Pipeline) are federal safety standards that mandate design, construction, testing, operations, and maintenance requirements for natural gas and liquid pipelines. The requirements in both standards are also very similar or identical. However, both during initial construction and after construction, Part 192 mandates additional design, construction, testing, operation and maintenance requirements based on consequence assessment. For example, in addition to fixed interval patrols, continuous pipeline surveillance is mandated by Part 192. The operator is required to evaluate and take appropriate action concerning a variety of changes (class location, failures, unusual operating/maintenance conditions, etc.) that affect a pipeline. Based on the circumstances of the population density change, Part 192 may mandate that pipe be removed and replaced to meet current standards. At a minimum, Part 192 requires additional inspections and surveillance of areas near the pipeline when consequences of a pipeline accident increase; i.e., as population density increases. Therefore, we would expect that any regulatory proposals dealing with pipeline integrity issues would recognize the significant difference between Part 192 and 195.

Hazardous liquid and natural gas pipeline accidents could have the same consequences: deaths, injuries, and property damage. However, the characteristics of natural gas and hazardous liquid are very different. For example, natural gas is a much more compressible fluid than hazardous liquids. Natural gas is lighter than air and will dissipate quickly. Hazardous liquids are heavier than air and spread on the ground or water surface. Because of these differences, the solutions and analysis of integrity issues and consequences of pipeline accidents could be very different for natural gas and liquid pipelines.

Risk Management/High Impact Audits

We believe that the proposed integrity regulatory initiative is premature. A few natural gas transmission risk management projects have been approved and none have completed the minimum time to test the concept. In addition, OPS is testing a new type of audit approach-the high impact audit. The safety benefits and cost to the public of this new risk project and audit approach have not been ascertained or tested. We would strongly suggest that these two projects be

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completed before similar regulatory programs are started because this docket could benefit from both the risk management and high impact audit initiatives.

costs

We cannot give good cost information of this proposal because we do not know the specific requirements. As more details of this proposal become available, the boundaries will be established. However, if we were required to smart pig all class three locations every five years on our system, the cost would be estimated at 2.4 million dollars per year. The cost for ANR to convert major segments of our pipeline to be piggable was 55 million dollars. This cost demonstrates the tremendous burden that mandatory inspection rules might have on the industry.

In addition to inspection rules, poorly defined requirements for mandatory Integrity Management Programs which lend themselves to enormous regulatory scope creep may after some time, cost individual companies hundreds of millions of dollars.

Summary

Overall, ANR supports the principles and goals of this proposal and will be working with OPS and other organizations to develop regulatory requirements that improve gas transmission pipeline safety. However, we feel any new regulations will have to be clearly defined so that costs associated with those regulations can be evaluated against the actual benefits (improved gas transmission pipeline safety) to the public.